

# INDUSTRY CIRCULAR

OFFICE OF THE COMMISSIONER OF INTERNAL REVENUE  
ALCOHOL AND TOBACCO TAX DIVISION



Industry Circular No. 59- 55

August 19, 1959

## REFUND OF TAX ON LIQUORS LOST BY DISASTER OCCURRING AFTER JUNE 30, 1959

Proprietors of distilled spirits plants,  
bonded wine cellars, breweries, and  
importers, wholesale and retail dealers  
and others concerned:

Purpose. The purpose of this industry circular is to advise you of Treasury Decision 6400 published in the Federal Register of July 22, 1959, relating to the claims procedure established with respect to liquors which were lost, rendered unmarketable, or condemned by reason of a disaster occurring after June 30, 1959.

Background. Subpart G of 26 CFR Part 170 contains the provisions relating to losses of liquors caused by a disaster occurring in the period on and after the day following the enactment of the Excise Tax Technical Changes Act of 1958 to and including June 30, 1959. This Treasury Decision adds subpart "O" to 26 CFR Part 170 covering the allowance or refund of tax and the claims procedures to be followed when liquors are lost, rendered unmarketable, or condemned as the result of a disaster occurring after June 30, 1959. The regulations are discussed below.

1950 Discussion. When the President has determined under the Act of September 30, 1950 (42 U.S.C., Sec. 1855) that a major disaster, as defined in the Act, has occurred in any part of the United States, refund of internal revenue tax and customs duties paid may be made in accordance with the provisions of subpart O, 26 CFR Part 170. Payments may be made only if, at the time of the disaster, such liquors were being held for sale by the claimant. The provisions of subpart "O" of 26 CFR Part 170 are not applicable to liquors of Puerto Rican manufacture brought into the United States.

The claim shall be executed on Form 843 and filed within six months with the assistant regional commissioner (alcohol and tobacco tax) of the region in which the liquors were lost, rendered unmarketable, or condemned. The claim shall contain all necessary facts and have attached an inventory of liquors lost by disaster. Separate claims shall be filed for customs duties. If the claim involves taxes on domestic liquors, imported liquors, and/or liquors of Virgin Islands manufacture, the quantities of each shall be shown separately in the claim.

Forms. An inventory of the liquors lost, rendered unmarketable, or condemned, shall be prepared on Form 2606, Inventory of Spirits, Form 2606-A, Inventory of Wines, and/or Form 2606-B, Inventory of Beer. The inventory will be prepared in accordance with the instructions on the form.

Inquiries. Inquiries in regard to this industry circular should refer to its number and be addressed to your assistant regional commissioner (alcohol and tobacco tax).



Dwight E. Avis  
Director, Alcohol and Tobacco Tax Division.